

REDEVELOPMENT PLAN FOR THE
CENTRAL FULLERTON REDEVELOPMENT
PROJECT AREA

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REDEVELOPMENT PLAN FOR THE CENTRAL FULLERTON REDEVELOPMENT PROJECT AREA

1 INTRODUCTION

The Fullerton Redevelopment Agency has authorized the preparation of a concept plan and program to best enable a restoration and revitalization of the economic and social health of the City's downtown business and residential core.

Founded seventy years ago, the City of Fullerton has as its historical and geographical center the proximate blocks of land that are north and south of the railroad lines on each side of Harbor Boulevard. Today, the original townsite area comprises Fullerton's central business district and bordering residential neighborhoods to its east and west, central industrial and manufacturing land uses next to the railroad corridor, and residential sectors south of the railroad lines. Due partially to its age of development, however, this part of the City now contains structures having a physically neglected, deteriorated, or structurally substandard condition. Although most building deficiencies have not reached a point where clearance is necessary, the compound effect of poor building appearance, an incompatible mixture of land uses, and a state of economic stagnation have created areas defined by the California Community Redevelopment Law as having blighted conditions.

Fullerton's basic redevelopment strategy is to make minimum use of public involvement in the private areas of housing and commercial upgrading other than to provide public improvements and the financing aids of the Agency. Public improvements, such as streets, open space, and design features will be used to encourage private redevelopment and upgrading. Land assembly for redevelopment projects will be done primarily by private enterprise with assistance from the Redevelopment Agency only when it becomes essential. Actual acquisition of property by the Agency would preferably be done only as a land assembly tool to aid private redevelopment primarily in the commercial and industrial areas.

The concept plan for the Central Fullerton Redevelopment Project Area has been prepared by the Fullerton Redevelopment Agency pursuant to the Community Redevelopment Law of the State of California, the California Constitution and all applicable local laws and ordinances.

2 PROJECT AREA DESCRIPTION

The boundaries of the Central Fullerton Redevelopment Project Area are indicated by Figure 1. The Project Area encompasses approximately 710 acres of land including streets and embraces generally commercial land use and related residential neighborhoods along Harbor Boulevard from Orangethorpe Avenue to the Harbor-Brea Boulevard "Y" intersection. Outlined more specifically, 314 acres consist of residential land use; commercial land use accounts for 138 acres; 71 acres are zoned for industrial use; and 187 acres are represented by institutional or public land uses. (See Appendix I for Project Area Legal Description.)

Fundamentally, the limits of the Project Area have been determined by the criterion to include within its boundaries all related blocks of land that will enable the Agency to coordinate the future planning and redevelopment of the City's central commercial belt along Harbor Boulevard and its adjacent residential neighborhoods. Some areas incorporated into the Project Area exhibit conditions of blight, as defined in the Community Redevelopment Law of the State of California, and can be described as having the following characteristics:

- a. The lack of efficient and proper utilization of parcels which results in a stagnant and unproductive condition for land that is potentially useful and valuable.
- b. The state of mixed and shifting land uses resulting from the passage of time since the original planning and development of the area.
- c. The occurrence of subdivisions and sales of lots of irregular form and inadequate size for proper usefulness and development according to modern standards for development, resulting in physical and functional obsolescence.
- d. The existence of poorly maintained structures that depreciate the value of surrounding land and contribute to the decline of community pride and safety.

Overall, the commercial areas north of the Santa Fe Railroad lines present a poor image to the public and do not offer the amenities that are now critically important factors in development and maintenance of a competitive and viable shopping area. Similarly, the residential neighborhoods south of the railroad lines suffer from 1) neglected and sometimes structurally unsafe dwelling units that require rehabilitation or removal and 2) a lack of public improvements to streets, alleys, sidewalks, and open space.

The Central Project Area has been subdivided into nine sub-areas in order to clearly define what is envisioned for each area in the way of future improvements as well as give a picture which explains the reason for the size and shape of the total Central Project Area. Some of these sub-areas will not be involved in actual redevelopment, but serve a needed function in providing a complete Project Area.

The following descriptions outline the functions of each of the sub-areas and the individual goals for them. Taken in total, these individual goals provide the goals for the Project Area as a whole. In all development areas, specific development plans will be presented to the Civic District Architectural Committee, Planning Commission, and Redevelopment Agency for review and comment. Adequate provision exists in this review procedure for public review and comment. The objective is for a community effort and approval with Agency support and participation.

Sub-Area A

The primary reason for this sub-area to be included is to provide tax increment funds for use throughout the Project Area. There will be some public improvements in the sub-area such as for streets, but no redevelopment is contemplated.

Sub-Area B

This sub-area will eventually be included in some commercial redevelopment and upgrading but is not planned for immediate Agency-initiated involvement.

Sub-Area C

Consisting entirely of school and City property, this sub-area is included so that the Agency may participate with the school district in future improvements. Since the school may be affected by the freeze procedure involved with tax increment financing, being included in the Project Area may provide a logical way to return to the school district some of the benefits of tax increment.

Sub-Area D

This sub-area is designated for a mixture of future land uses, including commercial, low, medium, and high density residential, and public. In the foreseeable future, the main involvement by the Agency would be in the encouragement of higher densities in the area north and east of the City Hall, to include facilities for senior citizen and lower income housing. The City may acquire property north of City Hall for expansion of parking facilities. As with Sub-area B, however, any efforts of private individuals to infuse new investment and development in the area will be encouraged.

Sub-Area E

Immediate Agency involvement is seen in this sub-area because of its critical importance to the continued successful downtown business center. Efforts will be directed at presenting alternatives for the revitalization of this sub-area and could include such things as property acquisition, street abandonments, consolidation of parcels, and financial support and incentive.

Sub-Area F

For the most part, this sub-area will not be subject to Agency-initiated involvement, but rather any new development will depend on private initiative. However, some property within this sub-area may be subject to future acquisition and some portions along Commonwealth Avenue may become a neighborhood improvement area similar to those proposed for Sub-area H.

Sub-Area G

This sub-area is entirely industrial and will be subject to Agency encouragement in upgrading existing properties. In addition, the Agency will work closely with the Union Pacific and Santa Fe Railroads to upgrade and put to better use such railroad properties as the depot buildings.

Sub-Area H

This sub-area is divided by an extension of the Orangefair Project Area, but the characteristics of the total sub-area are similar. Housing is the primary use now and that is how it will remain. The Agency will become involved in this sub-area only as much as is necessary to assist the residents in a sound program of neighborhood improvement, including streets and other public facilities. Any and all such programs will be developed and implemented with the help and support of the neighborhood residents. Where possible property acquisition by the Agency would be limited to substandard housing that is advertised for sale unless health and safety conditions and laws require removal. The Land Use Element of the General Plan allows for a mixture of low and lower-medium density housing in this sub-area so it is possible that private developers will build new housing. However, the Agency will try to avoid purchase of properties in this sub-area and will rely primarily on the residents to support a neighborhood improvement program.

Sub-Area I

This sub-area is included primarily to provide some public improvements and to provide a sense of continuity between the Central Project Area and the Orangefair Project Area. The Agency is contemplating no direct involvement unless the neighborhoods request help in the future for some type of neighborhood improvement program.

The intent of Agency involvement in any of the sub-areas is to help property owners, residents, and tenants to develop a sense of pride in being a part of the Fullerton community. The City of Fullerton is not interested in putting businessmen out of business nor putting residents out of their homes. The overall objective is to make Fullerton a better place in which to live and work and the City and the Agency are striving to help provide those things which will accomplish this objective.

3 NEIGHBORHOOD ELEMENT

There are approximately 2,400 dwelling units within the Project boundaries. These residential properties can be classified within the following three categories:

Transitional Residential: The residential dwellings located on the east and west side of Harbor Boulevard, directly surrounding the Central Business District, are in a state of transition. Land utilization is changing from pure residential to commercial. At this time, many blocks contain both residential dwellings and commercial establishments.

Marginal Residential: The neighborhoods located north of Valencia Drive and south of the railroad tracks contain a very high concentration of marginal residential dwellings. This area is residential in nature, and borders an industrial area located along the railroad tracks.

Stable Residential: In the remaining neighborhoods the uses will remain essentially the same as they are today.

The effects of the project on residents of the Project Area and surrounding areas are described below:

3.1 Relocation

Although the intent of the Redevelopment Project is to minimize the necessity of relocation, some residents may eventually be displaced. In the event that relocation is necessary, the Agency will provide all displaced residents suitable replacement housing. Generally, such relocation should have a favorable effect upon these residents. Acquisition of residential properties by the Agency may, in fact, be the only economical means for persons wishing to relocate into higher quality housing that are located in neighborhoods with no intermixture of residential and commercial uses.

3.2 Impact on the Overall Housing Market

The overall impact on the present housing supply will not be significant. However, due to the incremental rehabilitation of substandard dwellings, the supply of standard housing will increase. In addition, the Agency will encourage the development of dwelling units affordable to those with low incomes.

Although the rehabilitation process will be slow and will not involve extensive rehabilitation and displacement, the actual supply of safe, decent housing will increase as the project continues. This will be accomplished by the rehabilitation or abatement of those dwellings contributing to the blight of the area with the replacement of an equivalent number of low and moderate income dwelling units.

3.3 Traffic Circulation

Minor improvements to the circulation system will be made as funds become available. Major expansion of the present system is not anticipated with the exception of the proposed Lemon Street widening project which is not being funded by the Agency.

3.4 Effect on School Population

There will be little or no impact on school enrollment within the Project Area. Any new construction must be consistent with the Fullerton General Plan and increased densities are not proposed.

3.5 Assessed Valuation

By the removal of those conditions contributing to blight in the Project Area, increased assessed valuation will probably occur. However, since the project will be done on an incremental basis, any increase in assessed valuation should be slight and spread out over a relatively long period of time.

3.6 Property Taxes

The establishment of this Project Area will not in itself result in higher taxes within the Project Area. However, other natural forces, such as inflation, may result in higher taxes. These increases would occur regardless of whether the Project Area had been formed.

3.7 Other Matters Affecting the Physical and Social Quality of the Neighborhood

To the extent that portions of the Project Area are deteriorated and improvement projects are currently under consideration, change and development are going to proceed in the Project Area notwithstanding the adoption of a redevelopment plan for the area. The adoption of a redevelopment plan and its implementation by the Agency, in cooperation with other entities including the Project Area Committee, are means of assuring community control of the manner in which the inevitable changes will affect the physical and social quality of the neighborhood.

3.8 Community Participation After Adoption

Interested community groups and agencies shall be represented in the decision-making process relating to amendments to this Redevelopment Plan. In all development areas, specific development plans will be presented to the Civic District Architectural Committee, Planning Commission, and Redevelopment Agency for review and comment. Adequate provision exists in this review procedure for public review and comment. The objective is for a community effort and approval with Agency support and participation.

4 DEVELOPMENT GUIDELINES

Redevelopment of the Project Area will be undertaken in a phase program where it is anticipated that the plan will be realized within 15 to 20 years. As its intent, the plan aims to eliminate the blighting factors described in Section 2 of the Redevelopment Plan as well as to maintain the existing sound and desirable structures from declining into substandard conditions.

To the maximum possible extent, the plan is to be accomplished through Agency encouragement of, and assistance to, private enterprise in carrying out development activities with a minimum of Redevelopment Agency control and review. In this regard, the plan provides for Agency assistance in property acquisition and development plans only in those cases where private enterprise is unable to assemble developable parcels.

Public and market reaction to the proposed land use groupings and design treatment will be carefully evaluated before further resources are committed to redevelopment activities. Additionally, redevelopment of the Project Area will be undertaken only as the operating funds are available, thereby assuring the Agency that all redevelopment actions in the Project Area will be financially feasible.

4.1 Land Use

Figure 2 indicates the location of Project Area land uses and proposed rights-of-way. The land use proposals include recommendations for commercial, residential, and industrial development as well as public buildings, facilities, and open space.

Commercial Use: Areas 1, 2, 9, 17, and 18, shown on Figure 2 may be developed for commercial uses including but not limited to office, retail (specialty and convenience), service, hotel, motor hotel, entertainment including eating and drinking and theaters, and related auxiliary uses.

As a focal point for new development, the Agency proposes that initial redevelopment actions be within the City's Central Business District, indicated as Area 1, and defined as the blocks of land bordering Harbor Boulevard from Santa Fe Avenue to Ellis Avenue. In establishing a general urban concept for this Area, the Agency proposes the following directions for redevelopment:

1. To maintain the human scale in future development projects through proper setbacks, open spaces, and public plazas.
2. To concentrate on rehabilitation of existing structures and public spaces, with special attention being given to the Chapman Building at 110 East Wilshire Avenue.
3. To encourage commercial projects that enhance pedestrian traffic and convenience.

4. To reinforce retail development with an expanded community center that has neighborhood-oriented shopping services. Recent market analysis suggests a need for restaurants, retail food outlets, specialty shopping (as illustrated by Villa del Sol), and the creation of activity centers (such as movie theatres and night-time attractions).
5. To anticipate a market demand in the Central Fullerton area for approximately 100,000 square feet of garden-type office space in the next five years, with prime users in professional, financial, and medical services.

Residential Use: It is anticipated that new residential development within the Project Area will largely consist of multiple unit housing having low and medium population densities (3-27 dwelling units per net acre). Areas 4, 5, 6, 14, and 16 will be planned to contain only residential land uses, with these areas expected to retain their current or recently approved housing developments. However, a number of blocks have been determined to be suitable for either residential, commercial, or public land uses or their appropriate mixture. Area 7 is anticipated to have medium or high density residential land uses, but alternatives of commercial development or a mixture of these two land uses may be permissible. Area 12 is designated as medium density residential with alternative commercial or public land uses. Similarly, Area 13 is designated to maintain a residential land use, but may have as an alternative its redevelopment for a public facility or open space usage.

All new multiple unit development will conform to the zoning requirements of the City for residential development as they now exist or are amended. Residential building types may consist of a mixture of townhouses, cluster housing, low rise, high rise or garden apartments. However, in development of the residential portions of the Project Area the Agency shall discourage scattered development of multiple-family housing units.

Industrial Land Use: Area 15, lands adjacent to the railroad corridor, will be the only location in the Project Area to accommodate industrial and manufacturing facilities. The Redevelopment Plan, however, may also permit commercial development to be situated in this area.

Public Lands and Buildings: As indicated by Areas 3, 8, 10, 11, and 19 there are already several public and open space land use facilities within the Project Area. Additional public open spaces and parking facilities may be developed and interspersed with commercial development. As previously mentioned, an alternative use for Area 13 may include an open space or public facility.

4.2 Rights-of-way/Circulation

As indicated in Figure 3, several of the streets designated on the Circulation Element pass through the Project Area and will form a major portion of the Circulation pattern. The circulation network within the Project Area will include:

1.	Orangethorpe Avenue	-	Major Arterial
2.	Harbor Boulevard	-	Major Arterial
3.	Valencia Drive	-	Primary Arterial
4.	Commonwealth Avenue	-	Primary Arterial
5.	Chapman Avenue	-	Primary Arterial
6.	Lemon Street	-	Primary Arterial
7.	Brea Boulevard	-	Major Arterial
8.	Highland Avenue	-	Secondary Collector
9.	Berkeley Avenue	-	Secondary Collector
10.	Richman Avenue	-	Local Collector

Other streets and alleys may be widened, altered, abandoned, realigned, or closed for proper development of the Project Area and to facilitate circulation.

4.3 Standards for Development

Standards which developers of property within the Project Area must meet include the provisions of the Fullerton Zoning Ordinance, the Fullerton Building Code, and the Health and Safety Code of the State of California.

Except as inconsistent with this Plan all requirements of the City's zoning ordinance as it now exists or is hereafter amended shall apply to development.

Additional standards may be indicated for particular parcels as part of redevelopment disposition agreements or owner participation agreements.

New Construction

All new construction shall comply with all applicable State and local laws in effect from time to time including, without limitations, the Building, Electrical, Heating and Ventilating, Housing, and Plumbing Codes of the City of Fullerton.

Existing Uses

The Agency is authorized to permit an existing use to remain in an existing building in good condition, which does not conform to the provisions of this Plan, provided that such use is generally compatible with the developments and uses in the Project Area. The owner of such a property must be willing to enter into a participation agreement and agree to the imposition of such reasonable restrictions as are necessary to protect the development and use of the Project Area.

General Development Standards

1. Through the use of the Community Improvement District (CID) Zone, described in Section 7.6, the Agency shall establish setback and lot area requirements for all new developments within the Project Area which may exceed the requirements of the City's zoning ordinance.
2. The Agency shall require that, as feasible, adequate landscaping and screening be provided for each use to create buffers between those areas designated for different uses. All outdoor storage of materials or equipment shall be enclosed or screened by walls, landscaping or other enclosure to the extent and in the manner required by the Agency.
3. The approximate amount of open spaces to be provided in the Project Area is the total of all areas which will be in the public rights-of-way, the public grounds, the space around buildings, and other outdoor areas not permitted to be covered by buildings. Landscaping plans shall be submitted to the Agency for review and approval to ensure optimum use of living plant material.
4. In all areas sufficient space shall be maintained between buildings to provide adequate light, air, and privacy.
5. Design of all signs shall be submitted to the Agency for review and approval before erection. Sign provisions within the project area may be more restrictive than in the existing sign code.
6. The Agency shall require that all utilities be placed underground when physically and economically feasible, or when not feasible, all above ground utilities shall be placed at the rear of parcels.

Design for Development

Within the limits, restrictions, and controls established in the Plan, the Agency is authorized to establish heights of buildings, land coverage, design criteria, traffic circulation, traffic access, and other development and design controls necessary for proper development of both private and public areas within the Project Area.

No new improvement shall be constructed and no existing improvement shall be substantially modified, altered, repaired, or rehabilitated except in accordance with architectural, landscape, and site plans submitted to and approved in writing by the Agency as stipulated in the CID zone. One of the objectives of this Plan is to create an attractive and pleasant environment in the Project Area. Therefore, such plans shall give consideration to good design, open space, and other amenities to enhance the aesthetic quality of the Project Area. The Agency shall not approve any plans that do not comply with this Plan.

Variations

Under exceptional circumstances, the Agency is authorized to permit a variation from the limits, restrictions and controls established by the Plan. In order to permit such variation, the Agency must determine that:

1. The application of certain provisions of the Plan would result in practical difficulties or unnecessary hardships inconsistent with the general purpose and intent of the Plan.
2. There are exceptional circumstances or conditions applicable to the property or to the intended development of the property which do not apply generally to other properties having the same standards, restrictions, and controls.
3. Permitting a variation will not be materially detrimental to the public welfare or injurious to property or improvements in the area.
4. Permitting a variation will not be contrary to the objectives of the Plan nor will it set a precedent which the Agency is not prepared to perpetuate.

No variation shall be granted which changes a basic land use or which permits other than a minor departure from the provisions of this Plan. In permitting any such variation, the Agency shall impose such conditions as are necessary to protect the public health, safety, or welfare, and to assure compliance with the purposes of the Plan.

Incompatible Uses

No use or structure which by reason of appearance, traffic, smoke, glare, noise, odor, or similar factors would be incompatible with the surrounding areas or structures shall be permitted in any part of the Project Area. Within the Project Area, except with the approval of the Agency, there shall be no extraction of oil, gas, or other mineral substances, nor any opening or penetration for any purpose connected therewith within 500 feet of the surface.

Nondiscrimination and Nonsegregation

There shall be no discrimination or segregation based upon race, color, creed, religion, national origin, or ancestry permitted in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project Area.

Resubdivision of Parcels

No parcel in the Project Area, including any parcel retained by a conforming owner or participant, shall be resubdivided without the approval of the Agency.

5 RELOCATION

In implementing the Redevelopment Plan, the Agency will attempt to minimize relocation needs. However, when the relocation of a business concern, family or other person or concern is necessary the Agency shall:

1. Assist in finding other suitable locations; and
2. Make relocation payments.

5.1 Relocation Advisory Assistance

Relocation advisory assistance will be furnished by the City of Fullerton to any persons (either owners or renters) whose property is acquired by the Agency in connection with the implementation of the Redevelopment Plan. No person will be required to move from his dwelling unit because of the activities of the Redevelopment Agency in implementing the Redevelopment Plan unless replacement housing is available in areas not generally less desirable in regard to public utilities, and public and commercial facilities are available for such person, at rents or prices within the financial means of such person, and the replacement dwelling unit is decent, safe, sanitary, and located so that it is reasonably accessible to the place of employment of the person to be relocated. If such replacement housing is not available and the Agency determines that such housing cannot be made otherwise available, the Agency shall provide such housing.

5.2 Relocation Payments

The Agency is authorized to pay the actual and reasonable moving expenses of any person whose dwelling unit or the land on which such dwelling unit is located is acquired by the Agency. As an alternative to receiving such payments, any person who is displaced from a dwelling unit may receive a moving expense allowance, and an additional dislocation payment as provided in Section 7262 of the Government Code. The Agency is further authorized to financially assist a displaced dwelling owner or renter meeting the qualification contained in Sections 7263 and 7264 of the Government Code in order to provide suitable housing for any person displaced from his residence as a result of the Redevelopment Agency's implementation of the Redevelopment Plan.

5.3 Commercial and Industrial Relocation

Existing businesses and industry within the Project Area will be given first priority to acquire parcels made available for business and industrial development through the redevelopment process. Relocation advisory assistance for any business or industry will be made available through the City of Fullerton. In the event that it becomes necessary to relocate a business, and the business cannot be relocated without a substantial loss of patronage, and the business is not part of a commercial enterprise having at least one other establishment engaged in the same or similar business, the Agency is authorized to pay to such business a relocation payment

as provided in Section 7262 of the Government Code. The Agency is also authorized to pay any and all actual and reasonable moving expenses of a business if the business is required to relocate as a result of the implementation of the Redevelopment Plan.

6 METHODS FOR FINANCING THE PROJECT

6.1 General Description of the Proposed Financing Methods

Upon adoption of this Plan by the City Council, the Agency is authorized to finance this Project with financial assistance from the City, State of California, property tax increments, interest income, Agency bonds, or any other available source.

Advances and loans for survey and planning and operating capital and for nominal administration of this Project have been, and are to be provided by the City until adequate tax increments or other funds are available or sufficiently assured to repay the loans and to permit borrowing adequate working capital from sources other than the City. The City as it is able will also supply additional assistance through City loans and grants for various public facilities.

As available, gas tax funds from the State of California and the County of Orange will be used for the street system. Some revenue will also accrue to the Project from interest earned on investments of Agency funds.

The Agency is hereby authorized to obtain advances, borrow funds and create indebtedness in carrying out the Redevelopment Plan. The principal and interest on such advances, funds, and indebtedness may be paid from tax increments, bonds, or any other funds available to the Agency.

6.2 Agency Bonds

The Agency is authorized to issue bonds if needed and feasible in an amount sufficient to finance the Project. The principal and interest may be payable:

1. Exclusively from the income and revenues of the redevelopment projects financed with the proceeds of the bonds, or with such proceeds together with financial assistance from the state or federal government in aid of the projects.
2. Exclusively from the income and revenues of certain designated redevelopment projects whether or not they were financed in whole or in part with the proceeds of the bonds.
3. In whole or in part from taxes allocated to, and paid into a special fund of the Agency.
4. From its revenues generally.
5. From any contributions or other financial assistance from the state or federal government.
6. By any combination of these methods.

6.3 Tax Increments

All taxes levied upon taxable property within the Project each year by or for the benefit of the State of California, County of Orange, City of Fullerton, any district, or other public corporation (hereinafter sometimes called "taxing agencies") after the effective date of the ordinance approving this Redevelopment Plan, shall be divided as follows:

1. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of said taxing agencies upon the total sum of the assessed value of the taxable property in the Redevelopment Project as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency, last equalized prior to the effective date of such ordinance, shall be allocated to and when collected shall be paid into the funds of the respective taxing agencies as taxes by or for said taxing agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did not include the territory of the Project on the effective date of such ordinance but to which such territory is annexed or otherwise included after such effective date, the assessment roll of the County of Orange last equalized on the effective date of said ordinance shall be used in determining the assessed valuation of the taxable property in the Project on said effective date); and
2. That portion of said levied taxes each year in excess of such amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on bonds, loans, moneys advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, this Redevelopment Project. Unless and until the total assessed value of the taxable property in the Project exceeds the total assessed value of the taxable property in the Project as shown by the last equalized assessment roll referred to in paragraph (1) hereof, all of the taxes levied and collected upon the taxable property in the Project shall be paid into the funds of the respective taxing agencies. When said bonds, loans, advances and indebtedness, if any, and interest thereon, have been paid, all moneys thereafter received from taxes upon the taxable property in the Project shall be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

The portion of taxes mentioned in paragraph (2) may be irrevocably pledged for the payment of the principal of and interest on the advance of moneys, or making of loans, or the incurring of any indebtedness (whether funded, refunded, assumed, or otherwise) by the Redevelopment Agency to finance or refinance in whole or in part the Project.

The Agency is authorized to make such pledges as to specific advances, loans and indebtedness as appropriate in carrying out the Project.

The Agency is authorized, but not required, to make payments to taxing agencies in lieu of property taxes to make up tax loss occurring after the date of adoption of the Plan by the City Council.

The affected taxing agency may apply directly to the Redevelopment Agency for such in lieu payments by indicating the loss of revenue and its effects on the Agency's program operation.

6.4 Other Loans and Grants

Any other loans, grants, or financial assistance from the United States, or any other public or private source may be utilized by the Agency if desired and when they become available.

6.5 Bonding Feasibility

Agency bonds shall be issued only when the Agency has determined that the Agency will have funds available to pay the interest and principal on any such bonds when they become due and payable. In any case where the determination of the availability of funds for the payment of principal and interest on any such bonds cannot be ascertained to the reasonable satisfaction of the Agency from information available through its staff or that of the City, the Agency shall engage financial counsel to advise it whether or not funds will be available for the repayment of principal and interest on any such bonds.

7 IMPLEMENTATION PROVISIONS

7.1 Proposed Redevelopment Actions

In accordance with applicable federal, state, and local laws the Redevelopment Agency proposes to proceed with the following general measures as deemed necessary to accomplish the objectives within each portion of the Project Area.

1. To establish standards for the rehabilitation, alteration, modernization, general improvement or any combination thereof (hereinafter called "rehabilitation") by the owners of existing deteriorated structures;
2. To acquire real property and property rights as needed;
3. To assist in the relocation of displaced nonresidential and residential occupants in structures which are acquired;
4. To demolish, remove or clear existing buildings and improvements as needed;
5. To arrange with proper authorities for the vacation, realignment construction or reconstruction of certain streets, utilities, and other public improvements;
6. To reserve certain areas for public streets, rights-of-way, and other public purposes;
7. To provide or install public plazas, pedestrianways and/or pedestrian overpasses, landscaping, and other necessary site improvements, facilities, and underground placement of all utility lines and services;
8. To dispose of property acquired for uses in accordance with this Plan.
9. To arrange for the redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan.
10. The formation of a housing program that aims to a) purchase substandard dwellings as they are offered for sale and arrange for their rehabilitation or replacement; b) rehabilitate dwelling units on an incremental basis, as they become vacant; c) make available low interest loans to qualified homeowners for the rehabilitation of their property; d) relocate structurally sound units onto vacant residential parcels to help increase the supply of standard housing; and 3) provide assistance in the development of low income and senior citizen housing projects.

7.2 Acquisition of Real Property

The Agency may acquire but is not required to acquire, all real property located in the Project Area, by gift, devise, exchange, purchase, eminent domain, or any other lawful method.

It is in the public interest and is necessary in order to eliminate the conditions requiring redevelopment and in order to execute the Plan, for the power of eminent domain to be employed by the Agency to acquire property in the Project Area only to the extent necessary to carry out a specific development project within the Project Area and only as a last resort. The preferred method of acquisition is by willing seller or purchase at appraised value.

The Agency is not authorized to acquire real property owned by public bodies which do not consent to such acquisition. The Agency is authorized, however, to acquire public property if it is transferred to private ownership before the Agency completes land disposition within the entire Project Area, unless the Agency and the private owner enter into a participation agreement.

The Agency shall not acquire real property to be retained by an owner pursuant to a participation agreement if the owner fully performs under the agreement. The Agency is authorized to acquire structures without acquiring the land upon which those structures are located. The Agency is also authorized to acquire any other interest in real property less than fee title.

The Agency shall not acquire real property on which an existing building is to be continued on its present site and in its present form and use without the consent of the owner, unless:

1. Such building requires structural alteration, improvement, modernization or rehabilitation;

2. The site or lot on which the building is situated requires modification in size, shape, or use;
3. It is necessary to impose upon such property any of the standards, restrictions and controls of the Plan and the owner fails or refuses to participate in the Plan by executing a participation agreement.

Generally personal property shall not be acquired. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means.

7.3 Participation in Redevelopment by Owners and Tenants

Owners of property and business tenants may participate in the redevelopment of property in the Project Area in accordance with the Preference Rules and Participation Rules adopted by the Agency. In general, these rules provide that existing business owners and business tenants within the Project Area be given preference for re-entry into business within the redeveloped Project Area. Owners will be required to submit proof to the Agency of their qualifications and financial ability to carry out their agreement with the Agency.

Each participant not a conforming owner shall enter into a binding agreement with the Agency by which the participant agrees to rehabilitate, develop, or use the property in conformance with the Plan and to be subject to the provisions hereof. In such agreements, participants who retain real property shall be required to join in the recordation of such documents as are necessary to make the provisions of this Plan applicable to their properties.

In the event an owner or business tenant is unable or refuses to execute a participation agreement acceptable to the Agency to accomplish the purposes of this Plan, the provisions of this Plan shall govern the development, redevelopment and future use of the property involved, as an alternative to development of the property by the owner or business tenant, and the Agency may acquire any property involved, and sell, lease, or otherwise provide for the development of such property in accordance with this Plan.

The Agency may determine that certain real property within the Project Area presently meets the requirements of this Plan and the owners of such properties will be permitted to remain as conforming owners without a participation agreement with the Agency provided such owners continue to operate and use the real property within the requirements of this Plan.

7.4 Property Disposition

For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property.

To the extent permitted by law, the Agency is authorized to dispose of real property by negotiated leases or sales without public bidding.

All real property acquired by the Agency in the Project Area shall be sold or leased to public or private persons or entities for development for the uses permitted in the Plan. Real property may be conveyed by the Agency to the City or any other public body without charge. Property containing buildings or structures rehabilitated by the Agency shall be offered for resale within one year after completion of rehabilitation or an annual report concerning such property shall be published by the Agency as required by law.

The Agency shall reserve such powers and controls in the disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to insure that development is carried out pursuant to this Plan.

All purchasers or lessees of property shall be made obligated to use the property for the purposes designated in this Plan, to begin and complete development of the property within a period of time which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.

7.5 Purchase and Development Documents: Controls and Covenants to Insure Compliance with the Redevelopment Plan.

To provide adequate safeguards to insure that the provisions of this Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased, or conveyed by the Agency, as well as all property subject to participation agreements, shall be made subject to the provisions of this Plan by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the zoning ordinance, conditional use permits, or other means. Where appropriate, as determined by the Agency, such documents or portions thereof shall be recorded in the office of the Recorder of the County.

The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provision necessary to carry out this Plan.

All property in the Project Area is hereby subject to the restriction that there shall be no discrimination or segregation based upon race, sex, color, creed, religion, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project Area. All property sold, leased, conveyed, or subject to a participation agreement shall be made expressly subject by appropriate documents to the restriction that all deeds, leases, or contracts for the sale, lease, sublease, or other transfer or use, occupancy, tenure or enjoyment of land in the Project Area shall contain such nondiscrimination and non-segregation clauses as are required by law.

To the extent now or hereafter permitted by law, the Agency is authorized to pay for all or part of the value of the land and the cost of the installation and construction of any building,

facility, structure, or other improvement either within or outside the Project Area for itself or for any public body or entity to the extent that such improvement would be of benefit to the Project Area. Further, for those improvements beyond minimum City codes required under this Plan, the Redevelopment Agency may provide compensations for such improvements.

During the period of development in the Project Area, the Agency shall insure that the provisions of this Plan and of other documents formulated pursuant to this Plan are being observed, and that development in the Project Area is proceeding in accordance with development documents and time schedules.

The Agency shall require that development plans be submitted to it for approval and review. All development must conform to this Plan and all applicable Federal, State, and local laws, except as such may be modified by requirements of this Redevelopment Plan or Agency agreements entered into to carry out the purposes of this Plan.

7.6 Review of New Development

The Agency shall review applications for all new development or rehabilitation through the process required under the Community Improvement District (CID) Zone. Under this procedure, site plans, architectural drawings and signs shall be reviewed by the Redevelopment Agency or its designated agent.

This review will be required of all construction where a building permit is to be issued. Consideration shall be given to use, parcel size and shape, setbacks from all property lines, land coverage, building height and bulk, landscaping, access, parking, and signing in the evaluation of proposals.

If the Agency or the City of Fullerton shall, in the future, alter the procedures or zoning ordinance establishing the CID Zone, the Agency shall initiate an alternate reviewing procedure which will accomplish the objective of the evaluation set forth in this section.

7.7 Actions by the City and Community Cooperation

The City shall aid and cooperate with the Agency in carrying out this Plan and shall take all actions necessary to ensure the continued fulfillment of this Plan and to prevent the recurrence or spread in the area of conditions causing blight. Action by the City shall include, but not be limited to, the following:

1. Institution and completion of proceedings for opening, closing, vacating, widening, or changing the grades of streets, alleys, and other public rights-of-way, and for other necessary modifications of the streets, the street layout, and other public rights-of-way in the Project Area. Such action by the City shall include proceedings for the abandonment and relocation by the public utility companies of their operations in public rights-of-way as appropriate to carry out this Plan.

2. Institution and completion of proceedings necessary for changes and improvements in publicly-owned public utilities within or affecting the Project Area.
3. Revision of zoning within the Project Area where necessary to permit the land uses and development authorized by this Plan.
4. Provision for administrative enforcement of this Plan by the City after development. The City and the Agency shall after public hearing, develop and provide for enforcement of a program for continued maintenance by owners of all real property, both public and private, within the Project Area throughout the duration of this Plan.
5. Performance of the above, and of all other functions and services relating to public health, safety, and physical development normally rendered in accordance with a schedule which will permit the redevelopment of the Project Area to be commenced and carried to completion without unnecessary delays.
6. The undertaking and completing of any other proceedings necessary to carry out the Project.
7. The City of Fullerton may finance activities of the Agency either through loans or grants. All moneys expended by the City on behalf of the Agency shall, unless otherwise established at the time the expenditure is made, be treated as loans to the Agency which shall be repaid to the City, and bear interest at the rate agreed on by the City and the Agency from the date the loan is made. The obligation of the Agency to repay any such loan or any interest thereon shall be subordinate to any other financial obligations of the Agency.

7.8 Property Management

During such time as property, if any, in the Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for redevelopment.

8 ENFORCEMENT

The administrative enforcement of this Plan or other documents implementing this Plan shall be performed by the City of Fullerton or the Fullerton Redevelopment Agency.

The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by court litigation instituted by either the Agency or the City. Such remedies may include, but are not limited to, specific performance, damages, re-entry, injunctions, or any other remedies appropriate to the purposes of this Plan. In addition, any recorded provisions which are expressly for the benefit of owners of property in the Project Area may be enforced by such owners or by the Agency or the City on their behalf.

9 DURATION OF THE REDEVELOPMENT PLAN

Except for the nondiscrimination and nonsegregation provisions which shall run in perpetuity, the provisions of this Plan shall be effective and the provisions of other documents formulated pursuant to this Plan may be made effective for a period not to exceed 45 years from the date of adoption of this Plan by the City Council.

10 PROCEDURE FOR AMENDMENT

This Plan May be amended by means of the procedure established in Sections 33450-33458 of the Redevelopment Law as the same now exists or as hereafter amended, or by any other procedure hereafter established by law.

APPENDIX I
CENTRAL FULLERTON REDEVELOPMENT
PROJECT AREA LEGAL DESCRIPTION

APPENDIX I

CENTRAL FULLERTON REDEVELOPMENT

PROJECT AREA LEGAL DESCRIPTION

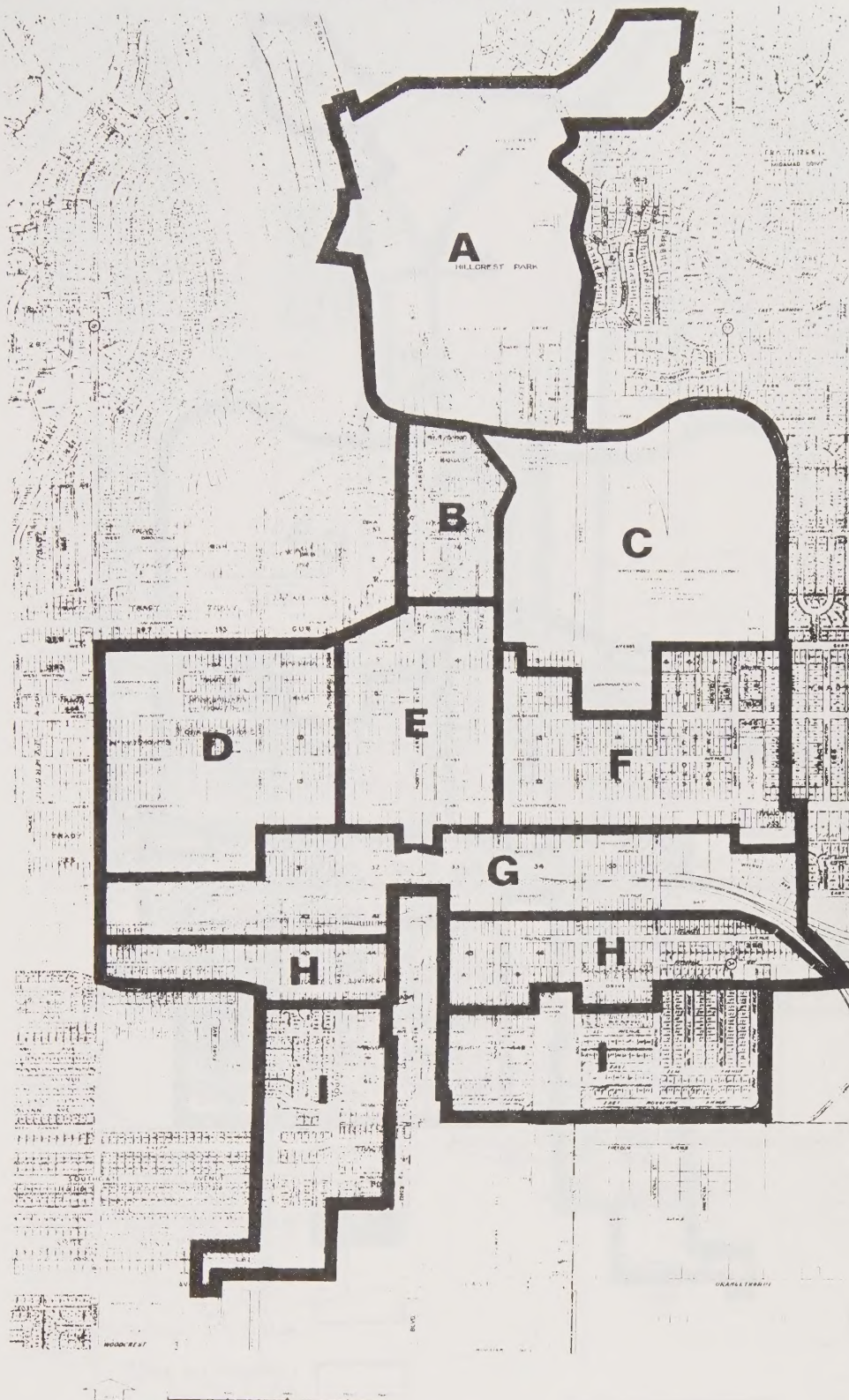
All those portions of Sections 27, 28, 33, and 34, Township 3 South, Range 10 West, San Bernardino Meridian in the State of California, County of Orange, City of Fullerton, and more particularly defined by the following statement of boundary:

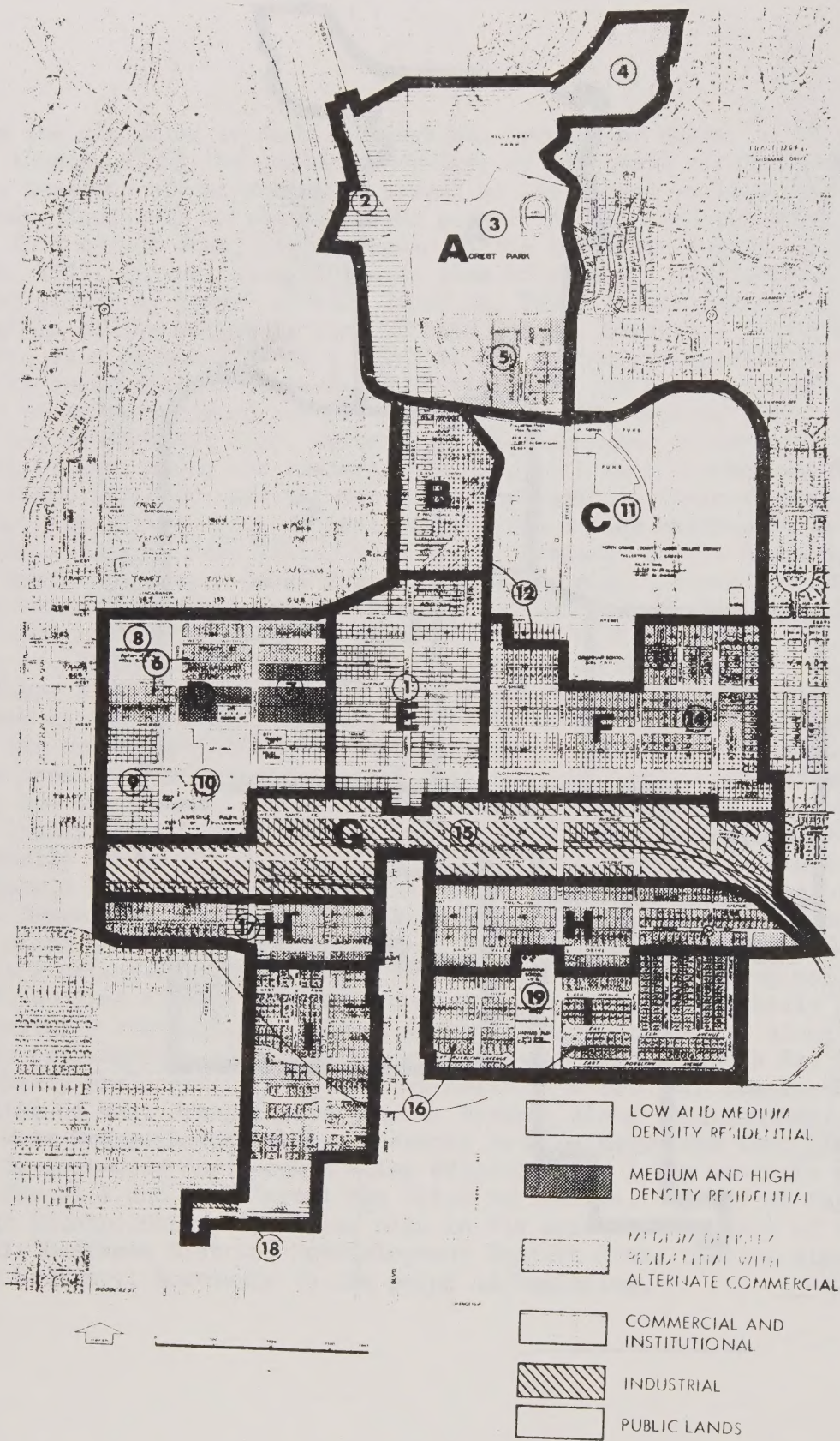
Beginning at an angle point in the boundary of the Orangefair Business District Redevelopment Project Area, said point being at the intersection of the northerly right-of-way line of West Orangethorpe Avenue with the northerly prolongation of the westerly right-of-way line of that certain 25-foot wide north-south alley adjoining and lying westerly of the west line of Parcels 1 and 2 of Parcel Map filed in Book 51, page 12 of Parcel Maps of Orange County; thence, along the boundary of said Orangefair Business District Redevelopment Project Area, Easterly along the northerly right-of-way line of Orangethorpe Avenue to the southerly prolongation of the west line of Parcel 2 of Parcel Map filed in Book 37, page 39, Parcel Maps of said Orange County; thence, along said southerly prolongation, said west line of Parcel 2 and the northerly prolongation of said west line, Northerly to a point in the north right-of-way line of Hill Avenue; thence along said north right-of-way line, Easterly to a point in the westerly right-of-way line of that certain 20-foot wide north-south alley adjoining and lying easterly of Lot 43 of Tract No. 886; thence along said westerly right-of-way line, Northerly to a point in the south right-of-way line of Ash Avenue; thence, along said southerly right-of-way line, Westerly 50 feet more or less to a point in the southerly prolongation of the east line of Lot 63 of Tract No. 467; thence, along said southerly prolongation, said east line of Lot 63 and along the northerly prolongation of said east line to a point in the south line of Lot 6 of the Livingston Addition; thence, along said south line, Easterly 50 feet more or less to the southeast corner of said Lot 6; thence along the east line of Lot 6, its northerly prolongation and the east line of Lot 23 of said Livingston Addition and its northerly prolongation, Northerly to the north right-of-way line of Walnut Avenue; thence, along said north right-of-way line, Easterly 380 feet more or less to the east right-of-way line of that certain 20-foot wide north-south alley adjoining and lying Easterly of the east line of Lots 19 to 30 inclusive of Block 40 of the Townsite of Fullerton; thence, along said easterly right-of-way line and its southerly prolongation, Southerly to a point in the westerly prolongation of the center line of Rosslynn Avenue as same is shown on the map of Tract No. 1918; thence, along said westerly prolongation, Easterly 50 feet more or less to a point in the northerly prolongation of the west line of Lot 26 of said Tract No. 1918; thence, along said northerly prolongation and said west line, Southerly to the southwest corner of said Tract No. 1918, said point being in the northerly right-of-way line of the Orange County

Flood Control District channel; thence, along said northerly right-of-way line, Easterly to a line parallel with and distant easterly 30.00 feet measured at right angles from the center line of Lemon Street; thence, leaving said boundary of the Orangefair Business District Redevelopment Project Area and continuing along said northerly right-of-way line of the Orange County Flood Control District channel, Easterly to the southeast corner of Lot 19 of Tract No. 2098; thence along the easterly boundary of said Tract No. 2098, Northerly to the northeast corner of Lot 3 of said Tract No. 2098, said point being also in the southerly right-of-way line of East Valencia Drive; thence, along said southerly right-of-way line and the easterly prolongation thereof, Easterly to a point in the northeasterly right-of-way line of the Atchison, Topeka and Santa Fe Railway right of way; thence, along last said right-of-way line Northwesterly to a point in the southerly prolongation of the east line of Lot 12 of Tract No. 5950; thence, along last said southerly prolongation and the east line of said Lot 12, Northerly to a point in the southerly right-of-way line of Walnut Avenue; thence, along said southerly right-of-way line of Walnut Avenue, Easterly to a point in the southerly prolongation of the easterly right-of-way line of that certain north-south alley adjoining and westerly of Lots 7 through 11 and Lot 19 of Tract No. 1873; thence, along last said southerly' prolongation, said easterly right-of-way line and the northerly prolongation thereof, Northerly to a point in the northerly right-of-way line of East Commonwealth Avenue; thence, along last said northerly right-of-way line, Westerly to a point in the easterly right-of-way line of North Berkeley Avenue; thence, along last said easterly right-of-way line of North Berkeley Avenue and the northerly prolongation thereof, Northerly to a point in the northerly right-of-way line of East Chapman Avenue; thence, along the northerly right-of-way line of East Chapman Avenue, Westerly to a point in the Easterly right-of-way line of North Berkeley Avenue; thence, along the right-of-way line of North Berkeley Avenue, Northerly, Northwesterly, Westerly, Southwesterly and Westerly to the southerly prolongation of the west boundary of the Hillcrest Addition; thence, along said southerly prolongation and said west boundary, Northerly to the southerly right-of-way line of Valley View Drive; thence, along said southerly right-of-way line of Valley View Drive and the easterly prolongation thereof, Easterly to a point in the easterly right-of-way line of Lemon Street; thence, along the easterly right-of-way line of North Lemon Street, Northerly to the most northerly northwest corner of Lot 5 of Tract No. 3686; thence, along the northerly boundary of said Tract No. 3686, Easterly to the northwest corner of Lot 15 of Tract No. 3639; thence, along a northerly boundary, the westerly boundary and the northerly prolongation of said westerly boundary of said Tract No. 3639, Easterly and Northerly to the northerly right-of-way line of Longview Drive; thence, along last said northerly right-of-way line and the westerly prolongation thereof, Westerly to a point in the westerly right-of-way line of Brea Boulevard; thence, along last said westerly right-of-way line, Southwesterly to a point in the easterly right-of-way line of Marion Boulevard; thence, along said easterly right-of-way line of Marion Boulevard, Northerly to a point in the easterly prolongation of the south line of Lot 7 of Tract No. 487; thence, along last said easterly prolongation and the south line of said Lot 7, Westerly to the southwest corner of said Lot 7, said point being also an angle point in the southerly boundary of the Brea Creek Flood Control Basin; thence, along said southerly boundary of the Brea Creek Flood Control Basin, Southwesterly, Northwesterly and Southwesterly to a point in the easterly right-of-way line of Harbor Boulevard; thence, along last said easterly right-of-way line Southeasterly to a point in the easterly prolongation of the northerly line of Lot 23 of Tract No. 1523; thence, along said easterly prolongation and the northerly line of Lot 23, Southwesterly to the northwest corner of the northeast parcel of land

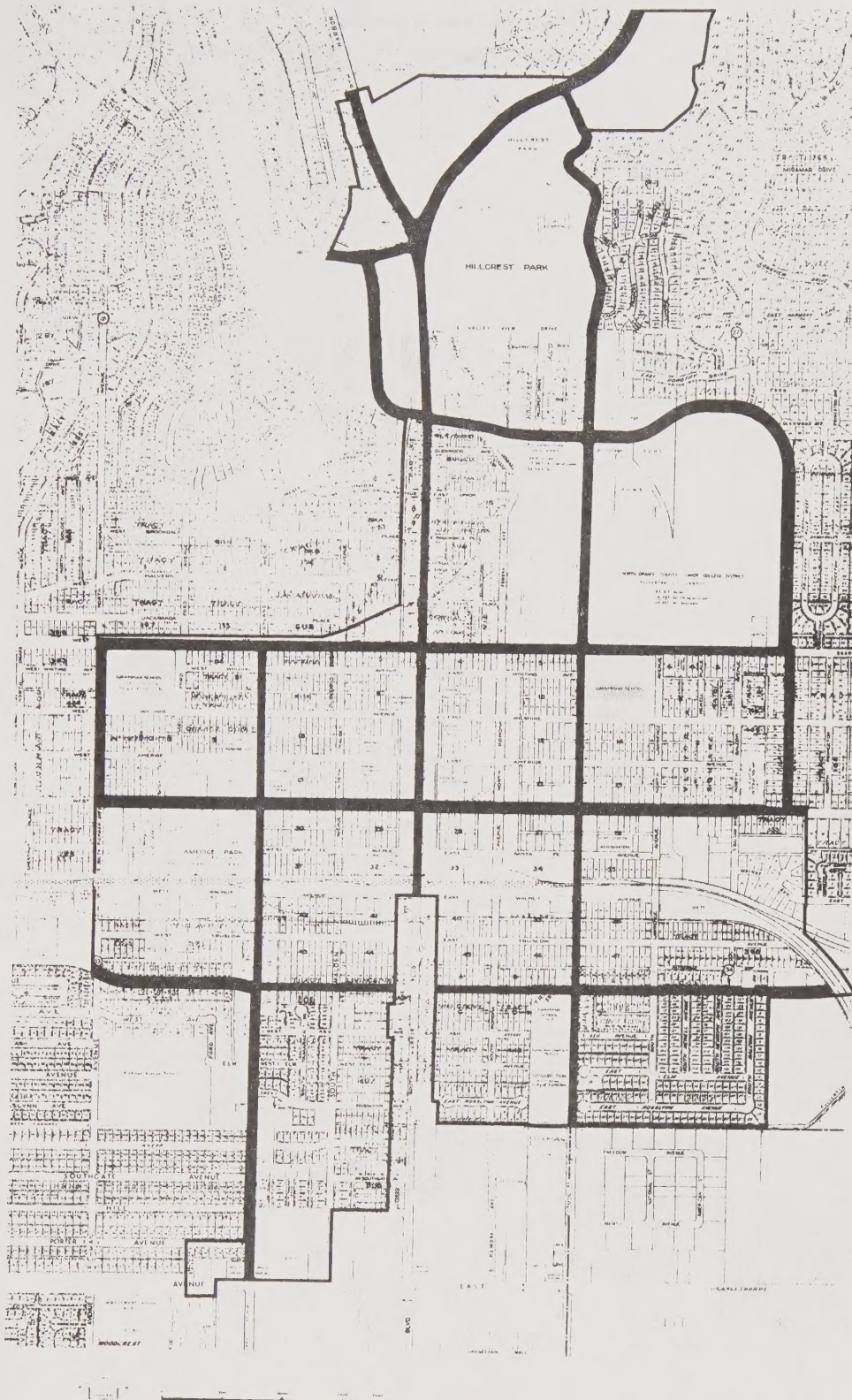
shown on the map filed in Book 44, Page 19, Records of Survey of said Orange County; thence, along the westerly boundary of last said northeast parcel and the westerly boundary of the southeast parcel of land shown on last said Record of Survey map, Southerly to the southwest corner of last said southeast parcel; thence, in a direct line, Southeasterly to the northwest corner of Lot 30 of said Tract No. 1523; thence, along the west line of said Lot 30, Southeasterly to the northeast corner of Lot 29 of said Tract No. 1523; thence, along the easterly prolongation of the northerly line of said Lot 29, Easterly, 19.50 feet; thence, Southerly, in a direct line to a point in the southerly boundary of said Lot 29, said point being distant Westerly 80.70 feet from the angle point in the southerly boundary of aforementioned Lot 30 of Tract No. 1523; thence, along the south line of said Lot 29 of Tract 1523, Westerly to the northeast corner of Lot 4 of Tract No. 1440; thence, along the easterly boundary of Lots 1 through 4, inclusive, of said Tract No. 1440, and the southerly prolongation thereof, Southerly to the southerly right-of-way line of East Valley View Drive; thence, along said southerly right-of-way line of East Valley View Drive, Easterly to the westerly right-of-way line of North Berkeley Avenue; thence, along the right-of-way line of said North Berkeley Avenue, Southerly, Southeasterly and Easterly to the Westerly right-of-way line of that certain north-south alley adjoining Lots 1 through 11, inclusive, of Tract No. 307; thence, along last said westerly right-of-way line and the westerly right-of-way line of those certain north-south alleys in that certain tract of land known as the Hermosa Addition, Southerly to a point in the northerly right-of-way line of the Orange County Flood Control District right of way commonly known as the Brea Creek Channel; thence, along last said northerly right-of-way line south-westerly and westerly to a point in the westerly right-of-way line of Richman Avenue; thence, along last said westerly right-of-way line of Richman Avenue and the southerly prolongation thereof, Southerly to the southerly right-of-way line of West Valencia Drive; thence, along the southerly right-of-way line of said West Valencia Drive, Easterly to the westerly right-of-way line of Highland Avenue; thence, along said westerly right-of-way line of Highland Avenue, Southerly to the northerly right-of-way line of West Porter Avenue; thence, along said northerly right-of-way line of West Porter Avenue to a point in the northerly prolongation of the westerly right-of-way line of South Ray Avenue; thence, along last said northerly prolongation, the westerly right-of-way line of South Ray Avenue and the southerly prolongation thereof, Southerly to a point in the southerly right-of-way line of West Orangethorpe Avenue; thence, along said southerly right-of-way line of West Orangethorpe Avenue, Easterly to a point in the west line of that certain 25-foot-wide north-south alley adjoining and lying westerly of the west line of Parcel 1 and 2 of Parcel Map filed in Book 51, Page 12 of Parcel Maps of Orange County, said point being also in the westerly boundary of aforementioned Orangefair Business District Redevelopment Project Area; thence, along last said westerly boundary, Northerly to the point of beginning.

FIG. 1 -- PROJECT AREA BOUNDARIES AND SUB-AREAS





Central Fullerton Redevelopment Project
FIGURE 3 -- MAJOR VEHICULAR CIRCULATION



Central Fullerton Redevelopment Project

FIGURE 4, REVISED PROJECT AREA BOUNDARIES

